Office of Consumer Information and Insurance Oversight

**State Planning and Establishment Grants for the
Affordable Care Act's Exchanges**

Reporting Templates

Quarterly Project Reports

Date: October 15, 2011

State: Arizona

**Project Title: State Planning & Establishment Grants for the Affordable Care Act's
Exchanges**

**Project Quarter Reporting Period: Q4 July 1, 2011 – September 30, 2011
Example:
Quarter 1 (09/30/2010-12/31/2010): Due January 31, 2011
Quarter 2 (1/1/2011-3/31/2011): Due April 15, 2011
Quarter 3 (4/1/2011-6/30/2011): Due July 15,2011
Quarter 4 (7/1/2011-9/29/2011): Due October 14, 2011**

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Award number: HBEIE100011-01-00

Date submitted: 09/29/2010

<u>**Project Summary**</u>
Please provide a narrative description (about 5-10 sentences) describing your progress so far in
planning activities under each core area. We would like to know what activities you have
undertaken to date and what you plan to undertake in the next quarter. Please refer to the
Reference section at the end of this template for some examples of what you could include under
each core area.

Core Areas

- **Background Research**

  Arizona completed its background research into the size, scope and demographics of the insured and uninsured market in the third quarter. The report detailed both the number of people that would be eligible to participate in the Exchange and the expected participation rate after implementation. The full report and supporting documentation have been uploaded to the Arizona Exchange website. http://www.azgovernor.gov/hix.

  The eligibility and participation rates were incorporated into the Request for Information that was issued this quarter to gather more information on potential IT vendors. This effort will assist in our planning efforts to ensure the IT infrastructure will have the capacity to handle the expected volume of applicants for coverage through the Exchange into Medicaid, Individual or SHOP Exchange.

  The information has also been incorporated into presentations made to stakeholder groups to demonstrate the importance of moving forward with an Exchange and the potential impact on reducing Arizona's high uninsured rate.

- **Stakeholder Involvement**

  Exchange staff continues to actively engage stakeholders in the Exchange planning process in a variety of different ways. A questionnaire was developed and disseminated widely to gather stakeholder input on key design and development issues. The results of the questionnaire have been incorporated into the planning and development of the Arizona Exchange.

  Don Hughes, Exchange Executive Director made presentations to the following groups during the fourth quarter:
  Ahwatukee Chamber of Commerce
  Alliance for Chronic Care
  East Valley Chamber of Commerce Alliance
  Healthcare Financial Management Association
  St. Luke's Health Initiatives Exchange Conference
  Westmarc Health Committee
  Arizona Association of Health Plans Board of Directors
  Healthcare Reform Summit for Business Leaders

  The following work groups were formed on core functions and met during the fourth quarter. The works groups are providing key stakeholder input on the specific operational details needed to stand up an Exchange by the initial open enrolment period. In addition to work groups focused on plan management, role of insurance producers, tribal issues and IT infrastructure, a new work group of key legislative leaders was formed and had its initial meeting in September. This legislative work group is intended to keep key legislative leaders informed on the Exchange, answer questions and build support within the Legislature for establishing the Exchange.

In addition to formal presentations and work groups, Exchange staff held a number of individual meetings with insurers, brokers, consumer groups, provider groups and pharmaceutical companies.

- **Program Integration**

  The Arizona Exchange has established an organizational structure that ensures that all State partners and their business models are fully integrated into the Exchange planning and development process. An Arizona Exchange steering committee has been formed consisting of representatives from the Governor's office, the Arizona Healthcare Cost Containment System (AHCCCS), the Arizona Department of Economic Security (ADES), the Department of Health Services (ADHS), and the Arizona Department of Insurance (ADOI). The Steering Committee meets regularly to facilitate communication with State partners, identify and resolve issues, make policy decisions regarding the Exchange and ensure the establishment of the Exchange continues to move forward.

  Each agency has contributed key staff to work on an IT infrastructure team that will develop the Request for Proposal for the IT vendor that will design, develop and build the Individual and SHOP Exchange and integrate with the Medicaid platform. Additional teams are being formed to focus on budget needs and call center.

- **Resources & Capabilities**

  For financial and political reasons, the Arizona Exchange will continue to have a small internal staff consisting of Don Hughes, Executive Director, Linda Skinner, Director, Healthcare Innovation Management, and Jason Mistlebauer, Grants Officer. Arizona's level one grant application includes funding for adding a staff person to handle public education and outreach activities.

  To supplement the work of the Exchange staff, each of the State Agencies that are on the Exchange Steering Committee has contributed existing staff resources to the Exchange project. This allows the Exchange to hold down administrative costs and leverage existing technical expertise at the Agencies.

  ADOI has extended its contract with Mercer Human Resources Consulting to assist in the plan management core functions. Mercer will continue its role throughout the level one grant period. Social Interest Solutions who performed the IT Gap Analysis for Arizona has been retained to perform technical IT consulting to ensure Arizona has the technical expertise to upgrade its Medicaid IT systems, design and build the Individual and SHOP Exchange components and integrate it into one user friendly system.

- **Governance**

  Exchange legislation is unlikely to be enacted in the 2012 legislative session. Based on the research and stakeholder consultation conducted during the planning process, Arizona intends to establish the Exchange as part of an existing state agency. The Governor's legal counsel is researching existing statutory authority to perform or contract for the Exchange required core functions. That research will clarify what legislative authority is required and when legislation is needed.

- **Finance**
  Currently, the fiscal management of the Exchange planning grant is handled within the Governor's office. This office has also handled the administration of $3 billion in economic stimulus grants. Federal grants such as the Exchange planning grant are given a unique identifier in the State's financial management system in order to segregate these funds from other funding and revenue streams, which allows for more concise tracking and reporting of receipts and expenditures.

  Regular internal meetings are held between Exchange staff and Accounting staff to ensure the Exchange planning grants funds are properly accounted for. The State Procurement Office is responsible for all procurement contracts and provides both technical assistance and financial oversight on all state contracts. The State Procurement Code will apply to all vendor contracts awarded to perform Exchange planning and development work.

- **Technical Infrastructure**
  The IT Gap Analysis was completed in the third quarter. The Exchange contracted with AHCCCS to perform the IT Gap Analysis. Social Interest Solutions performed the gap analysis and provided Arizona with a number of different options. The options are laid out in more detail in the third quarter report. The full Gap Analysis has been posted to the Exchange website: http://www.azgovernor.gov/hix.

  The Gap Analysis provided the Arizona Exchange Leadership Team with five options to proceed, including deferring to a federal exchange. After consultation with stakeholders, the Team decided to pursue building upon the AHCCCS existing online platform, Health-e-Arizona. To validate the conclusions and recommendations from the Gap Analysis, the Exchange retained FourThought, Inc to conduct a validation study. This report provided the results of the SIS Gap Analysis and confirmed the accuracy of the recommendation to build upon the Health-e-Arizona IT platform.

  During the fourth quarter, the Arizona Exchange issued a Request for Information (RFI) to gather information regarding potential vendors and their systems for the Individual and SHOP Exchange components. The RFI has been posted to the Exchange website. During the week of September 12-16, 2011, representatives from the Governor's office, AHCCCS and the Department of Insurance attended demonstrations from 13 vendors and vendor partnerships. The demonstrations and submitted materials provided valuable information on available products, what is being built, and potential approaches. The information gathered from the RFI will be used to determine what services and products Arizona wants; costs and payment options and other options that will be incorporated into a Request for Proposal.

- **Business Operations**
  The business operations functions such as call center, website, eligibility determination and enrollment into public programs and qualified health plans, tax credits and cost sharing subsidies and other technology related functions are being addressed by the IT Gap Analysis, the independent validation and the RFI. The performance of these functions will be

incorporated into the upgrades to the Health-e-Arizona platform and the RFP that will be issued for the Individual and SHOP Exchange components.

The Department of Insurance continues to take the lead in researching and developing the plan management functions, including certification, decertification and recertification of qualified health plans, quality rating systems, navigator programs, risk adjustment and transitional reinsurance. There were 3 health plan work groups meetings that focused on the certification of qualified health plans process. The requirements to become a QHP, the application and approval process are almost completed. Next step for this work group is to finalize the process and begin developing the electronic form to be submitted.

The Department has also led the insurance producer work group. In addition to providing information on the role of insurance producers within the Exchange, this work group has focused on developing a registration and testing process to allow insurance producers to access the Exchange website and to ensure insurance producers are familiar with all aspects of the website including the public side. Next step for this work group is to begin developing recommendations for the navigator program.

- **Regulatory or Policy Actions**
  The Arizona Legislature is not in session until January, 2012. Several Arizona legislators attended the Region 9 listening session in Portland, Oregon. Individual meetings were held by Exchange staff with Representative Cecil Ash, chair of the House Health Committee, Representative Matt Heinz, the Minority Spokesman of the House Health Committee, Representative Nancy McLain, chair of the House Banking and Insurance Committee and Senator Nancy Barto, chair of the Senate Healthcare and Medical Liability Reform Committee.

Barriers, Lessons Learned, and Recommendations to the Program

Please report on any issues or problems that have impacted the development and implementation of the project during the reporting period. Detail what impact any issues may have on the achievement of project targets, and set out how you plan to tackle these issues.

While some Exchange rules have been released, they have not been finalized as yet. There are still a number of needed rules packages that have not been released. Any delay in the release of Notice of Proposed Rule Making on the essential benefit package, the actuarial values, quality rating system and Medicaid eligibility may either delay the ability of Arizona to be ready by the initial open enrollment period or require Arizona to move forward without having those rules in place. We have submitted comments on the two outstanding NPRMs and have raised these concerns with CCIIO staff.

Also provide any lessons that you have learned during this quarter that you think would be helpful to share with other states as well as any recommendations you have for the program.

Technical Assistance

Please describe in detail any technical assistance needs you have identified through your planning activities. Please be as specific as possible about the kind of assistance needed and the topic areas you need to address. Discuss any plans you have for securing such assistance.

The planning process has identified a number of areas that need technical assistance. We have worked closely with our program officer and other CCIIO staff on these issues. We appreciate the willingness to provide assistance, advice and guidance on some very complex operational issues and questions. The NPRM on the Exchange answered many of the issues concerning tribal issues that have been raised by our tribal partners during the planning process. Arizona has submitted formal comments on the NPRM on a number of issues.

The willingness of CCIIO to partner with states on the Risk Adjustment Program is appreciated and will making moving forward with a state exchange easier. We look forward to receiving more details on how states will be able to partner with CCIIO on the Risk Adjustment program. However, we continue to need technical assistance with the transitional reinsurance program. We are not aware of any not=for-profit entities in Arizona that could perform this function.

The ACA and the NPRM clearly lay out the qualifications to be a qualified health plan and state options. The qualifications for stand-alone dental plans are not clear in either the ACA or the NPRM. We have asked for clarification in the NPRM as part of our formal comments.

Draft Exchange Budget
In order to understand state budgetary requirements moving forward, we ask that you provide a draft budget to the extent possible for Federal fiscal years 2011 through 2014. You may specify functional areas as you deem appropriate based on the types of costs you anticipate incurring. Examples of possible functional areas include personnel, other overhead, IT and systems costs, and other operational costs. When developing IT and systems cost estimates, please ensure that you separate costs for updating Medicaid systems from costs for Exchange systems.

Function	FFY 2011	FFY 2012	FFY 2013	FFY 2014
See Attached				

Attached is a revised budget based upon the work done during the planning process. Arizona has submitted its level one grant application which requests $29.8 million for the grant period. The budget continues to be revised and refined as we move through the process of planning and implementing an Arizona Exchange.

Work Plan
We ask that you begin working on a draft work plan for your Exchanges that will carry your planning and implementation efforts through January 1, 2014. On a quarterly basis, we would

like to see your progress in developing this plan. We would like you to provide key objectives for implementing your exchange and corresponding milestones under each of these objectives. For your first quarterly report, please provide two milestones under each core area. In your second report, please provide four milestones. For your third report and the final report, we expect your work plan to be as comprehensive as possible.

For each milestone, please provide the following:
- **Name of milestone:**
- **Timing:**
- **Description:**

States may be creating their own work plan and/or timeline format. Please ensure that you provide the required number of milestones and that your plan goes through January 1, 2014.

Collaborations/Partnerships
Report on who you are working with outside of your office or department, and any changes or issues in your institutional context and/or any progress or issues with your project partners (where applicable).

- **Name of Partner: Arizona Health Care Cost Containment System**
- **Organizational Type of Partner:**
  - Health Department
  - Federally Qualified Health Center
  - Health Maintenance Organization
  - Hospital
  - Private Insurance
  - Employer
  - Employer Group
  - Other (Please specify) State Medicaid Agency
- **Role of Partner in Establishing Insurance Exchange:** AHCCCS is a member of the Exchange Steering Committee and the IT leadership group. It has taken the lead in the IT Gap Analysis, the validation of that Gap Analysis and with the Request for Information process. AHCCCS is reviewing the current eligibility and enrollment functions and comparing those functions with the requirements in the NPRM on eligibility and enrolment and the NPRM on the premium tax credit. AHCCCS staff is coordinating with the Exchange staff on the requirements for the Exchange IT infrastructure including the website and call center to ensure the Exchange will be user friendly for applicants for Medicaid and subsidized insurance through the Exchange.
- **Accomplishments of Partnership:** The IT Gap Analysis and its validation study have been completed. The RFI produced 13 potential vendors and vendor teams and the information needed to begin planning the requirements for the SHOP and the ABHE and integrating into one system.
- **Barriers/Challenges of Partnership:** None to date.

- **Name of Partner: Arizona Department of Insurance**

- **Organizational Type of Partner:**
  - o Health Department
  - o Federally Qualified Health Center
  - o Health Maintenance Organization
  - o Hospital
  - o Private Insurance
  - o Employer
  - o Employer Group
  - o Other (Please specify) State Insurance Regulator
- **Role of Partner in Establishing Insurance Exchange:** The ADOI has taken the lead in planning the requirements and resources available to perform the plan management functions in the Exchange. ADOI will provide technical expertise in developing the procedures, forms and policy support on the plan management functions such as certification of qualified health plans, risk adjustment and transitional reinsurance, quality rating, consumer assistance and navigators.
- **Accomplishments of Partnership:** The ADOI working with the Exchange staff, Mercer Human Resources Consulting and stakeholders is finalizing the certification requirements, timeline and process for the certification process and is developing the electronic form for filing an application to become a qualified health plan. This will ensure health insurers have sufficient knowledge and time to prepare and submit their applications to become qualified health plans.
- **Barriers/Challenges of Partnership:** None to date

- **Name of Partner: Governor's Office of Health Information Exchange**
- **Organizational Type of Partner:**
  - o Health Department
  - o Federally Qualified Health Center
  - o Health Maintenance Organization
  - o Hospital
  - o Private Insurance
  - o Employer
  - o Employer Group
  - o Other (Please specify) Health Information Exchange Grantee
- **Role of Partner in Establishing Insurance Exchange:** The HIE project will provide technical assistance in the development and evaluation of the health insurance exchange IT infrastructure and website.
- **Accomplishments of Partnership:** The HIE project is developing a provider directory that could be incorporated into the HIX project to make it easier for people to shop, compare and purchase health insurance through the Exchange website.
- **Barriers/Challenges of Partnership:** None to date.

- **Name of Partner: Arizona Department of Economic Security**
- **Organizational Type of Partner:**
  - o Health Department
  - o Federally Qualified Health Center

- o Health Maintenance Organization
- o Hospital
- o Private Insurance
- o Employer
- o Employer Group
- o Other (Please specify) State Social Service Agency
- **Role of Partner in Establishing Insurance Exchange:** The Department of Economic Security is involved in the enrollment and eligibility functions into Arizona's Medicaid, food stamp and cash assistance programs. The ADES is part of the Exchange Steering Committee and involved in the IT infrastructure planning process.
- **Accomplishments of Partnership:** ADES has been instrumental in working with AHCCCS and Social Interest Solutions on the IT infrastructure planning process.
- **Barriers/Challenges of Partnership:** None to date.

- **Name of Partner: Inter-Tribal Council of Arizona**
- **Organizational Type of Partner:**
    - o Health Department
    - o Federally Qualified Health Center
    - o Health Maintenance Organization
    - o Hospital
    - o Private Insurance
    - o Employer
    - o Employer Group
    - o Other (Please specify) Trade Association representing Arizona's tribal governments
- **Role of Partner in Establishing Insurance Exchange:** The Inter-Tribal Council of Arizona is leading the tribal work group which consists of the 22 federally recognized tribes in Arizona. The work group provides an opportunity to educate the tribal representatives on the Exchange and ensures that Exchange staff is aware of tribal issues on and off the reservation.
- **Accomplishments of Partnership:** The work group has developed a work plan and budget to provide public education and outreach to tribal members throughout Arizona about the Exchange and how tribal members can receive health insurance.
- **Barriers/Challenges of Partnership:** None to date.

- **Name of Partner:** Carrier Work Group
- **Organizational Type of Partner:**
    - o Health Department
    - o Federally Qualified Health Center
    - o Health Maintenance Organization
    - o Hospital
    - o Private Insurance
    - o Employer
    - o Employer Group
    - o Other (Please specify) Stakeholder group of insurance carriers
- **Role of Partner in Establishing Insurance Exchange:** The Arizona Exchange formed a work group of the leading health insurers and their national trade association to formalize input

from the insurance industry on operational issues that affect qualified health plans. Receiving their input on key issues makes it more likely that there will be a healthy number of insurers that will want to participate on the Exchange. This work group is lead by the ADOI and includes representatives from Aetna, AHIP, Blue Cross Blue Shield of Arizona, CIGNA, Health Net, Humana and United Healthcare.

- **Accomplishments of Partnership: Barriers:** Three work group meetings were held during the fourth quarter to work on the certification requirements, forms and process. A timeline has been established that will ensure carriers have sufficient time to submit applications to be certified as a qualified health plan. Future meetings will focus on quality rating, network adequacy, risk adjustment and transitional reinsurance.
- **Challenges of Partnership:** None to date.

- **Name of Partner:**
- **Organizational Type of Partner:**
  - Health Department
  - Federally Qualified Health Center
  - Health Maintenance Organization
  - Hospital
  - Private Insurance
  - Employer
  - Employer Group
  - Other (Please specify)
- **Role of Partner in Establishing Insurance Exchange:**
- **Accomplishments of Partnership: Barriers**
- **Challenges of Partnership:** None to date.

- **Name of Partner:** Producer Work Group
- **Organizational Type of Partner:**
  - Health Department
  - Federally Qualified Health Center
  - Health Maintenance Organization
  - Hospital
  - Private Insurance
  - Employer
  - Employer Group
  - Other (Please specify) Stakeholder group of insurance agents and brokers
- **Role of Partner in Establishing Insurance Exchange:** As part of the stakeholder process, the Arizona Exchange staff formed a Producer Work Group to ensure that insurance agents and brokers were able to raise issues specific to the broker community. Active participation by brokers will be essential to the success of the SHOP and the ABHE. The work group is lead by the ADOI and consists of 20-25 brokers and agents from throughout Arizona who sell health insurance in the individual and small group markets.
- **Accomplishments of Partnership: Barriers:** There were two meetings held during the fourth quarter. The work group has finalized a registration and education process that will be incorporated into the IT design. The recommendation will enable brokers to participate on the Exchange and ensure brokers are well versed in all aspects of the Exchange.

- **Challenges of Partnership:** None to date.

Final Project Report
Due 11/15/2011

Project Detail

Succinctly summarize the project and what was accomplished during the entire grant period, highlighting anything that has not been reported since your last interim progress report for each of the core areas.

As succinctly as possible, summarize major opportunities, obstacles, challenges, and any changes in the project or your organization that have you encountered over the grant period. For each core area, please provide a description of the decisions that were made through your planning process. Some additional suggestions for information to include are below.

Core Areas

- **Background Research.** Please provide a summary of the research you conducted, key findings, and plans that resulted from this research.

- **Stakeholder Involvement.** Please provide an accounting of all stakeholder involvement that took place during the project period including a listing of the stakeholders you consulted. Please also include lessons learned from these consultations.

- **Program Integration.** Please provide a description of the activities you undertook to coordinate with Medicaid and other public programs in your state, the outcomes of these conversations, and any barriers you face or have overcome.

- **Resources & Capabilities.** This core area should be addressed through your needs assessment.

- **Governance.** If you have reached a decision on the governance structure for your Exchange, please provide a description here. If not, please report on your progress in this area.

- **Finance.** Please describe any activities you undertook in terms of planning for financial management, prevention of fraud and abuse, and annual auditing.

- **Technical Infrastructure.** Please provide any relevant information that you did not provide in your needs assessment.

- **Business Operations.** Please provide information on any decisions you made in the areas of eligibility determinations, plan qualification, plan bidding, application of quality rating systems and rate justification, administration of premium tax credits and cost-sharing assistance, and risk adjustment.

- **Regulatory or Policy Actions.** Please describe the enabling legislation you plan to seek and any challenges or barriers you have faced in this regard. If possible, attach your enabling legislation.

Needs Assessment
Please provide a detailed needs assessment that includes:
- A budget of projected funding needs through Federal Fiscal Year 2014
- An accounting of number of personnel needed
- A list and description of contracts you plan to award and when you plan to do so (if available)
- An assessment of the information technology builds and systems changes required to establish an operational Exchange

Function	FFY 2011	FFY 2012	FFY 2013	FFY 2014

Technical Assistance
As succinctly as possible, summarize the technical assistance that you will require in order to develop and establish an Exchange. Be sure to highlight anything that has not been reported since your last interim progress report. Please rank in order of priority/need with one being the most crucial assistance. Discuss any plans you have for securing such assistance.

Final Project Work Plan
Please provide a draft work plan that includes goals, objectives, responsible parties, costs, timeframes, and milestones for each year through January 1, 2014. For each core area of work, either those defined above or a different designation of core functional areas viewed as more useful by your state, provide key objectives and milestones for carrying out the establishment of an Exchange. We want to know how you plan to get to 2014 and the steps that you plan to take along the way. We would also like to know how you are monitoring progress toward these

milestones. Please refer to the framework for listing milestones that was provided in the quarterly report template.

Final Evaluation Report

Please provide an evaluation plan to include a detailed description of data collection activities and analyses, from which the State will evaluate the progress of your Exchange in meeting your goals and the goals of the Exchange as articulated by the federal government. Please provide information on the performance measures you intend to track.

Exchange Deliverables

Submit copies of any deliverables (plans, documentation of planning activities, etc.), public recognition, press releases, or new articles that are pertinent to this project and that were received since the last progress report, if any.

OMB #0938-1101

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1101. The time required to complete this information collection is estimated to average (433 hours) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Public Report

Grantees are required to prominently post progress reports about their planning grants on their respective Internet websites to ensure that the public has information on the use of funds. The Public Report must be compliant with Section 508 (see http://www.section508.gov/ for more information). The required public report includes, but is not limited to:

1. Project Summary – an overview of the grantee's activities, both planned and accomplished
2. Stakeholder Involvement – an outline of any and all opportunities for involvement to the residents of the State and other pertinent stakeholders. This includes any discussions regarding the Exchanges such as public hearings, town hall meetings, etc.
3. Budget – the total amount of the grant award and the broad budgetary categories of the award.
4. Deliverables – all press releases, news articles, public recognition, and any other documentation allowed by law for public disclosure.

In addition, it is the grantees discretion to publicly disclose any and all information in the quarterly and/or final project reports.

Reference – Core Areas

- **Background Research** – May include research to determine the number of uninsured in the State including, but not limited to, those potentially eligible for the Exchange, and those eligible for Medicaid or their employer's coverage and currently not enrolled.

- **Stakeholder Involvement** – May include a list of the stakeholders within the State who will be involved in the State's decision about whether to operate the Exchange and planning/implementation of the Exchange, including the role proposed for each stakeholder as well as agreements with those stakeholders that may be in place at this time. Developing stakeholder involvement may include a plan to gain public awareness and commitment of key stakeholders through task forces and activities in various venues to obtain stakeholders' input.

- **Program Integration** – May include a description of how an Exchange will build on existing State and Federal programs such as Medicaid and CHIP. This may also include current State activities similar to an Exchange.

- **Resources and Capabilities** – May include an assessment of current and future staff levels, contracting capabilities and needs, and information technology.

- **Governance** – May include planning for a State-run Exchange or an Exchange run by an independent entity. If an Exchange is expected to be State-run, planning could include determinations of where the Exchange would reside, what the governing structure would be, and to what departments or officials it would be accountable. If an Exchange is expected to be established through an independent entity, planning could include the development of the governance structure, appointment process, conflict of interest rules, and mechanisms of accountability. If the State is planning to coordinate with other States for a regional Exchange, activities relating to coordination with other States to establish an Exchange, determine markets, and ensure licensure and consumer protections could be developed.

- **Finance** – May include pathways to developing accounting and auditing standards, mechanisms of transparency to the public, and procedures to facilitate reporting to the Secretary.

- **Technical Infrastructure** – May include the planning for a web portal and/or a call center to meet the increased need for consumer education, the coordination of Medicaid and Exchange-related activities, and the integration of Health Information Exchange standards for program interoperability.

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- **Business Operations** – May include plans for eligibility determinations, plan qualification, plan bidding, application of quality rating systems and rate justification, administration of premium credits and cost-sharing assistance, and risk adjustment.

- **Regulatory or Policy Actions** – May include a determination of the scope and detail of enabling legislation and implementing State regulations.